

Ottawa, May 15, 2000

SUBJECT

**RE-INVESTIGATION POLICY
UNDER THE
*SPECIAL IMPORT MEASURES
ACT (SIMA)***

This Memorandum explains the procedures for revising normal values, export prices, amounts of subsidy, or amounts of export subsidies applicable to imported goods covered by findings of the Canadian International Trade Tribunal (Tribunal). This information is provided to ensure that anti-dumping and countervailing duties are levied in a timely and equitable manner. In this respect, Memorandum D14-1-7, *Assessment of Anti-Dumping and Countervailing Duties Under the Special Import Measures Act*, should also be consulted.

**GUIDELINES AND
GENERAL INFORMATION**

Re-Investigation Policy

1. Re-investigations are conducted, under the *Special Import Measures Act (SIMA)*, to update normal values, export prices, and subsidy levels (hereinafter referred to as values). In addition, re-investigations establish values for new models and new exporters.
2. The import documents of goods, subject to anti-dumping or countervailing duty, are reviewed by officers in the Canada Customs and Revenue Agency (CCRA) to ensure that the correct amount of anti-dumping, or countervailing duty is assessed and paid. In addition, this ensures that the CCRA is able to respond quickly to the need for a re-investigation. The following factors are taken into account in determining whether to initiate a re-investigation:
 - (a) the volume of imports of the subject goods and the relative changes in the volume;
 - (b) the number of new products or models or the number of new exporters;
 - (c) the number of requests for re-determination;
 - (d) market information on price levels in the industry sector or country of export; and
 - (e) representations from the complainant, exporters, importers, or from the government of the country of export.
3. In addition to these factors, consideration is given to conducting a re-investigation on the anniversary of the finding, or of the initiation of the last re-investigation.
4. If the CCRA decides to initiate a re-investigation, the CCRA informs the complainant, the exporters, the importers, and the government of the country of export. The letter will indicate when the CCRA anticipates issuing new values. This is generally within 90 days of the date of initiation of the re-

investigation. Every effort is made to conduct the necessary verification and to establish final values within this time.

5. Importers will be requested to provide the CCRA with the transaction numbers and dates of the customs accounting documents of all of their importations of the subject goods. Exporters will be requested to provide the relevant information on their shipments to determine values.

6. The situation may arise where an exporter has provided a satisfactory submission and has been willing to permit verification within acceptable time frames, but due to operational considerations within the CCRA verification is not possible. Under such circumstances, preliminary values will be issued on the basis of the submission. In the subsequent 90-day period, submissions will be verified and final values will be issued.

7. Where an exporter either does not provide a satisfactory submission or does not permit verification, values will be issued on the basis of a ministerial specification. The ministerial specification is generally the highest margin of dumping, or the amount of subsidy found during the original investigation. These values will apply until the exporter provides a satisfactory submission and allows proper verification.

8. The Director General of the Anti-dumping and Countervailing Directorate may authorize the establishment of both preliminary and final values on the basis of data provided in an unverified submission if such action is deemed appropriate given the circumstances of any particular re-investigation.

9. If the final values are higher than the preliminary values, they will apply only from the date the final values are issued.

10. Except for circumstances noted in paragraph 6, if the final values are lower than the preliminary values, they will apply retroactively to the date of the establishment of the preliminary values.

11. If it is believed that no values can be established within the initial 90-day period, the problem will be discussed with the Director General by the 65th day and an appropriate course of action will be identified.

12. When a re-investigation is initiated, all known importers and exporters will be advised in writing of the main issues which will be examined. They will also be advised to take into account all information available to them in order to prepare for the likely adjustments to be introduced in 90 days.

13. All parties notified at the time a re-investigation is initiated will also be advised of its conclusion and the results as they pertain to them. Furthermore, a specific statement will be included in the covering letters explaining the retroactive application of the values.

14. The CCRA will only release normal values and export prices in accordance with the provisions of Memorandum D14-1-2, *Disclosure of Normal Value and Export Price Established Under the Special Import Measures Act to Importers*.

15. A Customs Notice will be issued at the start and at the conclusion of each re-investigation. The Customs Notice issued at the conclusion of each re-investigation will explain the retroactive application of the values.

16. Notwithstanding any other provisions in this policy, when there are changes to domestic prices, market conditions, costs associated with production and sales and/or subsidy levels, the onus is on the parties concerned to advise the CCRA. When substantial changes occur and the CCRA has not been advised in writing on a timely manner, or the required information to make any necessary adjustments to values is not provided, retroactive assessments will be applied, where in the opinion of the Director General such action is warranted. In such circumstances, the only limitation to such retroactivity will be the statutory limitations within SIMA.

17. During the enforcement, a ministerial specification is used to determine values for new products, new exporters, and exporters who have not provided sufficient information or have not provided information in time to enable determination of values.

REFERENCES

ISSUING OFFICE –

Anti-dumping and Countervailing Directorate

LEGISLATIVE REFERENCES –

Special Import Measures Act

HEADQUARTERS FILE –

4205-13

SUPERSEDED MEMORANDA “D” –

D14-1-8, September 9, 1992

OTHER REFERENCES –

D14-1-2, D14-1-7

Services provided by the Canada Customs and Revenue Agency are available in both official languages.

This Memorandum is issued under the authority of the ommissioner of Customs and Revenue.